

ORDINANCE #23-17:

AN ORDINANCE AMENDING ORDINANCE #23-14 APPROPRIATING FUNDS FOR OPERATIONS OF THE VILLAGE OF PINEHURST FOR FISCAL YEAR 2024, REGARDING REVENUES AND EXPENDITURES OF THE GENERAL FUND FOR THE VILLAGE OF PINEHURST, NORTH CAROLINA (ADOPTION OF SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS REPORTING REQUIREMENTS UNDER GASB STATEMENT NO. 96)

THAT WHEREAS, the Governmental Accounting Standards Board (GASB) released Statement No. 96 entitled *Subscription-Based Information Technology Arrangements* which is effective for the fiscal year beginning July 1, 2022 (FY 2023); and

WHEREAS, this statement defines a subscription-based information technology arrangement (SBITA) as “a contract that conveys control of the right to use another party’s (a SBITA vendor’s) information technology (IT) software, alone or in combination with tangible capital assets (the underlying IT assets), as specified in the contract for a period of time in an exchange or exchange-like transaction” and the underlying assumption is that a SBITA is a financing transaction; and

WHEREAS, staff compiled and reviewed all SBITA agreements that meet the criteria listed in the statement and utilized the existing lease tracking software to maintain these agreements going forward; and

WHEREAS, an amendment is needed to record these “right-to-use” subscription assets and liabilities and account for them in the correct manner as debt service instead of departmental operating expenditures as they were originally appropriated;

NOW, THEREFORE, BE IT RESOLVED by the Village Council of the Village of Pinehurst, North Carolina, in the regular meeting assembled this 11th day of July, 2023, as follows:

SECTION 1. To amend the FY 2024 General Fund budget with regard to revenues and expenditures, the revenue and expenditure accounts are to be changed as follows:

<u>Account No.</u>	<u>Account Name</u>	<u>Debit</u>	<u>Credit</u>
10-10-310-7900	Capital Outlay: Subscription Asset - Police	\$ 146,510	
10-00-980-5901	IT R&M: Equipment		\$ 33,710
10-00-190-3905	Other Financing Source: Fund Balance Appropriation		112,800
10-00-980-5901	IT R&M: Equipment		146,870
10-60-910-8084	Principal - Subscription Asset	138,160	
10-60-910-8085	Interest - Subscription Asset	8,710	
10-00-980-3560	Charges to Other Departments - IT	180,580	
10-00-220-5911	IT Charges - Administration		15,590
10-00-230-5911	IT Charges - Financial Services		8,880
10-00-240-5911	IT Charges - Human Resources		13,700
10-10-310-5911	IT Charges - Police		50,050
10-40-710-5911	IT Charges - Planning		57,550

<u>Account No.</u>	<u>Account Name</u>	<u>Debit</u>	<u>Credit</u>
10-10-320-5911	IT Charges - Fire		\$ 14,210
10-10-330-5911	IT Charges - Inspections		2,130
10-20-410-5911	IT Charges - Public Services Administration		3,550
10-20-420-5911	IT Charges - Streets & Grounds		2,840
10-30-510-5911	IT Charges - Solid Waste		2,130
10-80-610-5911	IT Charges - Recreation		4,270
10-80-615-5911	IT Charges - Library		2,840
10-80-620-5911	IT Charges - Harness Track		710
10-80-640-5911	IT Charges - Fair Barn		1,420
10-40-720-5911	IT Charges - Community Development		710
TOTAL		\$ 473,960	\$ 473,960

SECTION 2. Copies of this budget amendment shall be furnished to the Village Clerk, Village Manager, and Financial Services Director for their direction and implementation.

THIS ORDINANCE passed and adopted this 11th day of July, 2023.



VILLAGE OF PINEHURST
VILLAGE COUNCIL

By: 

John C. Strickland, Mayor

Approved as to Form: 

Michael J. Newman, Village Attorney

Attest:


Kelly Chance, Village Clerk